REMARKS

This response is intended as a full and complete response to the final Office Action mailed October 15, 2008. In the Office Action, the Examiner notes that claims 1-64 are pending and rejected. By this response, Applicants have amended claims 1, 2, 6, 9, 10, 12, 13, 26, 27, 29, 34-37, 43, 46-48, 50, 54, 56, 59, 60 and 63 to further clarify the claims. Support for the amendments may be found in the Applicants' specification on at least page 36, line 6 – page 39, line 10 and FIG. 2.

In view of both the amendments presented above and the following discussion, Applicants submit that none of the claims now pending in the application are obvious under the provisions of 35 U.S.C. §103. Thus, Applicants believe that all of the claims are now in allowable form.

REJECTION OF CLAIMS 1-64 UNDER 35 U.S.C §103

Claims 1-13, 15-33, 43-50, 52-54, 56, 57, and 59-64

The Examiner has rejected claims 1-13, 15-33, 43-50, 52-54, 56, 57, and 59-64 under 35 U.S.C. §103(a) as being unpatentable over Rosser (6,446,261, hereinafter "Rosser") in view of Kitsukawa et al. (6,282,713, hereinafter "Kitsukawa"), O'Toole, Jr. et al. (6,279,112, hereinafter "O'Toole") and Kurtzman, II et al. (6,144,944, hereinafter "Kurtzman"). The rejection is traversed.

Applicants respectfully submit that Rosser, Kitsukawa, O'Toole and Kurtzman alone or in combination fail to teach or suggest Applicants' invention of at least claim 1 as a whole.

Independent claim 1 recites:

> 1.   A method for targeting interactive virtual advertisements, comprising:
>   assigning a plurality of interactive virtual advertisement spots to a program;
>   assigning one of a plurality of interactive virtual objects to the plurality of interactive virtual advertisement spots, wherein said plurality of interactive virtual objects are dynamic;
>   generating a retrieval plan;
>   providing the retrieval plan to a terminal, wherein the retrieval plan instructs the terminals to select one of the plurality of interactive virtual objects selected from a ranked list of the plurality of interactive virtual objects, wherein

said ranked list is determined at least by a measure of effectiveness for each one of said plurality of interactive virtual objects in each one of said plurality of interactive virtual advertisement spots, wherein each one of the plurality of interactive virtual advertisement spots are in a different location in said program;

allocating delivery bandwidth within an available amount of total bandwidth in a communication channel for the selected one of the plurality of interactive virtual objects via a resource management engine;

delivering the selected one of the plurality of interactive virtual objects via said allocated delivery bandwidth;

receiving a selection of at least one of the plurality of interactive virtual objects;

logging the received selection of said at least one of the plurality of interactive virtual objects; and

billing an advertiser of said selected at least one of the plurality of interactive virtual objects in response to said logged selection. (Emphasis added).

In an exemplary embodiment, Applicants' invention uses a measure of effectiveness for each virtual object if displayed in a corresponding virtual object location in determining a ranked list of the virtual interactive objects. (See *Id.* at p. 36, l. 6 – p. 37, l. 3) Furthermore, Applicants' invention logs selection of interactive advertisements for billing an advertiser based upon the positive indication that an advertisement was actively viewed by a subscriber. (See *Id.* at p. 69, lines 15-23).

The Examiner concedes that Rosser, Kitsukawa and O'Toole fail to teach or suggest providing the retrieval plan to a terminal, wherein the retrieval plan instructs the terminals to select one of the plurality of interactive virtual objects selected from a ranked list of the plurality of interactive virtual objects, wherein said ranked list is determined at least by a measure of effectiveness for each one of said plurality of interactive virtual objects in each one of said plurality of interactive virtual advertisement spots, wherein each one of the plurality of interactive virtual advertisement spots are in a different location in said program. (See Final Office Action, p. 7, ll. 12-15). However, the Examiner asserts that Kurtzman bridges the substantial gap left by Rosser, Kitsukawa and O'Toole. Applicants respectfully disagree.

Kurtzman fails to bridge the substantial gap left by Rosser, Kitsukawa and O'Toole because Kurtzman also fails to teach or suggest providing the retrieval plan to a terminal, wherein the retrieval plan instructs the terminals to select one of the plurality

of interactive virtual objects selected from a ranked list of the plurality of interactive
virtual objects, wherein said ranked list is determined at least by a measure of
effectiveness for each one of said plurality of interactive virtual objects in each one of
said plurality of interactive virtual advertisement spots, wherein each one of the plurality
of interactive virtual advertisement spots are in a different location in said program. The
Applicants note the Examiner's response in the Final Office Action mailed on October
15, 2008. In response, the Applicants amended independent claims 1, 6, 26, 43 and 59
to specify that the ranked list is determined at least by a measure of effectiveness for
each one of said plurality of interactive virtual objects in each one of said plurality of
interactive virtual advertisement spots, wherein each one of the plurality of interactive
virtual advertisement spots are in a different location in said program. In other words,
the Applicants invention measures an effectiveness of each one of a plurality of
interactive virtual advertisements in each one of the plurality of interactive virtual
advertisement spots at different locations. (See e.g., Applicants' specification, p. 36, ll.
6-25). This process is also illustrated by the tables in the subsequent pages. (See *Id.*
at pages 38-47).

In contrast, Kurtzman teaches that advertisements are matched reflecting the
interests of the user, either expressed or based on demographic information. (See
Kurtzman, col. 4, ll. 50-63). The results may be generated into a list. (See *Id.* at ll. 27-
31 and col. 6, ll. 59-65). Thus, unlike the Applicants' invention that allows a comparison
to be made based upon where the one or more interactive virtual objects are located,
Kurtzman simply teaches creating a relevance list ranked by the results of a matching
algorithm of advertisements to a user's interests. Therefore, the combination of
Rosser, Kitsukawa, O'Toole and Kurtzman, alone or in combination, do not teach or
suggest Applicants' invention of at least claim 1 as a whole.

Independent claims 6, 26, 43 and 59 recite relevant limitations similar to those
recited in independent claim 1. As such, for at least the same reasons discussed
above, Applicants submit that independent claims 6, 26, 43 and 59 also are not obvious
and are patentable over Rosser, Kitsukawa, O'Toole and Kurtzman under 35 U.S.C.
§103. Furthermore claims 2-5, 7-13, 15-25, 27-33, 44-50, 52-54, 56, 57, and 60-64
depend directly or indirectly from independent claims 1, 26, 43 and 59 while adding

additional elements. Therefore, these dependent claims also are not obvious and are patentable under 35 U.S.C. §103 for at least the same reasons discussed above in regards to independent claims 1, 26, 43 and 59. Therefore, the rejection should be withdrawn.

Claim 14

Claim 14 is rejected under 35 U.S.C. §103(a) as being unpatentable over Rosser, Kitsukawa, O'Toole and Kurtzman as applied to claim 13 above, and further in view of Hendricks et al. (5,600,364, hereinafter "Hendricks") and Del Sesto et al. (6,530,082, hereinafter "Sesto"). The rejection is traversed.

This ground of rejection applies only to a dependent claim and is predicated on the validity of the rejection under 35 U.S.C. §103 given Rosser in view of Kitsukawa, O'Toole and Kurtzman for the corresponding independent claim. Since the rejection of the corresponding independent claim under 35 U.S.C. §103 has been overcome, as described hereinabove, and there is no argument put forth by the Office Action that Hendricks and DelSesto alone or in combination supply that which is missing from Rosser in view of Kitsukawa, O'Toole and Kurtzman to render the independent claim obvious, this ground of rejection cannot be maintained. Therefore, the rejection should be withdrawn.

Claims 34-42

Claims 34-42 are rejected under 35 U.S.C. §103(a) as being unpatentable over Rosser in view of Kitsukawa, Zigmond et al. (6,698,020, hereinafter "Zigmond"), O'Toole and Kurtzman. The rejection is traversed.

For at least the reasons discussed above in response to the Examiner's 35 U.S.C. §103(a) rejection of independent claim 1, Rosser, Kitsukawa, O'Toole and Kurtzman alone or in combination fail to teach or suggest Applicants' invention <u>as a whole</u>. In particular, Rosser, Kitsukawa, O'Toole alone or in combination are devoid of any teaching or suggestion of Applicants' invention of a terminal for targeting interactive virtual objects comprising <u>an interactive virtual object selector processor coupled to the storage processor that determines an interactive virtual object placement for one or</u>

more stored interactive virtual objects selected from a ranked list of said plurality of interactive virtual objects, wherein said ranked list is determined at least by a measure of effectiveness for each one of said plurality of interactive virtual objects in each one of said plurality of interactive virtual object locations, wherein each one of the plurality of interactive virtual advertisement locations are in a different location in a program, as recited in at least claim 34.

Zigmond fails to bridge the substantial gap between Rosser, Kitsukawa, O'Toole and Kurtzman because Zigmond also fails to teach or suggest a terminal for targeting interactive virtual objects comprising an interactive virtual object selector processor coupled to the storage processor that determines an interactive virtual object selector processor coupled to the storage processor that determines an interactive virtual object placement for one or more stored interactive virtual objects selected from a ranked list of said plurality of interactive virtual objects, wherein said ranked list is determined at least by a measure of effectiveness for each one of said plurality of interactive virtual objects in each one of said plurality of interactive virtual object locations, wherein each one of the plurality of interactive virtual advertisement locations are in a different location in a program. Zigmond only teaches techniques for intelligent video ad insertion. (See Zigmond, Abstract).

As such, Applicants submit that independent claim 34 is not obvious and is patentable over Rosser in view of Kitsukawa, Zigmond, O'Toole and Kurtzman under 35 U.S.C. §103. Furthermore claims 35-42 depend directly or indirectly from independent claim 34 while adding additional elements. Therefore, these dependent claims also are not obvious and are patentable under 35 U.S.C. §103 for at least the same reasons discussed above in regards to independent claim 34. Therefore, the rejection should be withdrawn.

Claim 51

Claim 51 is rejected under 35 U.S.C. §103(a) as being unpatentable over Rosser, Kitsukawa, O'Toole and Kurtzman as applied to claim 50 above, and further in view of DelSesto. The rejection is traversed.

This ground of rejection applies only to a dependent claim and is predicated on the validity of the rejection under 35 U.S.C. §103 given Rosser in view of Kitsukawa, O'Toole and Kurtzman for the corresponding independent claim. Since the rejection of the corresponding independent claim under 35 U.S.C. §103 has been overcome, as described hereinabove, and there is no argument put forth by the Office Action that DelSesto supplies that which is missing from Rosser in view of Kitsukawa, O'Toole and Kurtzman to render the independent claim obvious, this ground of rejection cannot be maintained. Therefore, the rejection should be withdrawn.

Claims 55 and 58

Claims 55 and 58 are rejected under 35 U.S.C. §103(a) as being unpatentable over Rosser, Kitsukawa, O'Toole and Kurtzman as applied to claims 43 and 54 above, and further in view of Zigmond. The rejection is traversed.

This ground of rejection applies only to dependent claims and is predicated on the validity of the rejection under 35 U.S.C. §103 given Rosser in view of Kitsukawa, O'Toole and Kurtzman for the corresponding independent claim. Since the rejection of the corresponding independent claim under 35 U.S.C. §103 has been overcome, as described hereinabove, and there is no argument put forth by the Office Action that Zigmond supplies that which is missing from Rosser in view of Kitsukawa, O'Toole and Kurtzman to render the independent claim obvious, this ground of rejection cannot be maintained. Therefore, the rejection should be withdrawn.

CONCLUSION

Thus, Applicants submit that none of the claims, presently in the application, are obvious under the provisions of 35 U.S.C. §103. Accordingly, both reconsideration of this application and its swift passage to issue are earnestly solicited.

If, however, the Examiner believes that there are any unresolved issues requiring adverse final action in any of the claims now pending in the application, it is requested that the Examiner telephone Eamon J. Wall or Jimmy Kim, at (732) 530-9404, so that appropriate arrangements can be made for resolving such issues as expeditiously as possible.

Respectfully submitted,

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